

**DEPARTMENT OF SOCIAL SERVICES**

744 P Street, Sacramento, California 95814



September 18, 2001

ALL COUNTY LETTER NO. 01-66

TO: ALL COUNTY WELFARE DIRECTORS  
ALL CalWORKs PROGRAM SPECIALISTS  
ALL FOOD STAMP COORDINATORS

**REASON FOR THIS TRANSMITTAL**

- ☐ State Law Change
- ☐ Federal Law or Regulation Change
- ☐ Court Order
- ☐ Clarification Requested by One or More Counties
- ☒ Initiated by CDSS

SUBJECT: CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS  
(CalWORKs) RECIPIENTS WHO REACH THE TEMPORARY ASSISTANCE  
FOR NEEDY FAMILIES (TANF) PROGRAM 60-MONTH TIME LIMIT

REFERENCE: ALL COUNTY LETTERS (ACL) 97-65, 98-37, 99-90, 00-48 AND 03-01  
ALL COUNTY INFORMATION NOTICE (ACIN) I-52-99

This letter provides counties with the instructions to implement the necessary aid code changes for the CalWORKs cases in which the adult(s) has received TANF-funded assistance for a cumulative total of 60 months. Federal regulation 45 CFR Section 264.1 provides that no State may use Federal TANF funds to provide assistance to a family that includes an adult head-of-household or a spouse of the head-of-household (including minors) who has received TANF assistance for a total of 60 cumulative months. When CalWORKs recipients reach the TANF 60-month time limit, the families will continue to receive CalWORKs assistance under state law. Counties must continue to provide aid to CalWORKs recipients as required by state law and regulations until they have received their cumulative total of 60 months under the CalWORKs program (including aid received under other states' TANF-funded programs on and after January 1998). In order to continue providing CalWORKs assistance to these cases, counties are required to claim the cases that have reached the 60-month TANF time limit to a separate aid code.

**BACKGROUND**

California began issuing TANF funds in December 1996, prior to the implementation of the CalWORKs program on January 1, 1998. Because of the differing implementation dates, the state's CalWORKs 60-month time limit will extend beyond the TANF 60-month time limit. CalWORKs recipients are eligible to continue receiving aid for the remaining months before the adults must be removed from the assistance unit (AU) due to reaching the state CalWORKs 60-month time limit. The first individuals to reach their CalWORKs 60-month time limit will occur no sooner than January 1, 2003.

Funding for the cases that have reached the TANF limit will be determined through the annual state budget process. Federal regulation allows states to extend the TANF-funded assistance beyond the five-year limit for up to 20% of its caseload on the basis of

“hardship,” as defined by the state. However, in the current budget year, CDSS has chosen to expend State Maintenance of Effort (MOE) funds (minimum state expenditures required by federal law) for these cases. A separate aid code is necessary to identify the cases that have reached the 60-month time limit and are funded by State MOE. Additional details regarding the use of TANF State MOE funds, will be provided in the forthcoming County Fiscal Letter (CFL).

## **CATEGORICAL ELIGIBILITY FOR PUBLIC ASSISTANCE (PA) HOUSEHOLDS**

Food Stamp households in which the parent(s) are transitioning to state-only CalWORKs benefits, due to reaching their TANF 60-month time limit, will remain mandatory categorically eligible (CE). As these households will continue to receive benefits that are means tested and primarily MOE-funded, they continue to meet the CE requirements specified in All County Letter 99-81.

## **TRACKING THE 60-MONTH TIME LIMITS**

States that do not comply with the requirements of 45 CFR Section 264.1, the five-year TANF limit, may be subject to severe federal penalties. For that reason, accurately tracking time a recipient has received TANF-funded aid is critical to ensure that California does not exceed the five-year TANF time limit requirement. As previously specified in ACL 99-90, there are differences in tracking for the federal TANF and state 60-month time limits. For the federal TANF time clock, counties must track TANF aid from the date each state implemented TANF. For California, TANF aid must be tracked from December 1996. A few CalWORKs recipients may have received TANF-funded aid earlier than December 1996 because they received aid in a state that implemented the TANF program earlier than California. Accordingly, these recipients may reach the TANF time limit prior to December 2001 and will then begin receiving state-only funded assistance at that time and should be claimed as state-only funded cases.

To determine which cases have an adult(s) that has received TANF-funded aid for 60 months, counties shall use accurate information from case records, consortia/county automated systems, and the Welfare Data Tracking Implementation Project (WDTIP) system.

## **DEFINITION OF AID CODES FOR TANF TIMED-OUT CASES**

Two aid codes have been established for those cases in which an adult(s) has reached the TANF 60-month time limit.

### **Definition for Aid Code 32 – TANF Timed-Out (State)**

A TANF “timed-out” case is one in which the head of household or spouse of the head-of-household (parent, stepparent, or caretaker relative) has received Federal TANF assistance for a total of 60 cumulative months and continues to be eligible for CalWORKs assistance. These cases should be coded “32.” The following example demonstrates the use of aid code 32 and how the months of aid are counted toward the 60-month time clocks.

### Example of Aid Code 32:

An assistance unit (AU) includes a mother and her two children. The mother began receiving TANF-funded aid in December 1996 and continues for five years without a break in aid. Her last month of TANF-funded aid is November 2001. She reaches her TANF 60-month time limit on December 1, 2001 and the AU is placed in aid code 32. The family continues to be eligible for CalWORKs aid since she has not yet received 60 months of aid under the CalWORKs program.

<u>AID CODE</u>	<u>TANF MONTHS</u>	<u>TANF 60</u>	<u>CW MONTHS</u>	<u>CalWORKs 60</u>
<b>Aid code 30</b> (All Families)	12/96 to 11/01	60 months	1/98 to 11/01	47 months
<b>Aid code 32</b> (TANF Timed-Out)			12/01 to 12/02	13 months

### Definition for Aid Code 3W – TANF Timed-Out, Mixed Case (State)

A TANF “timed-out,” mixed case is one in which the head of household or spouse of the head of household (parent, aided stepparent, or caretaker relative) has received Federal TANF assistance for a total of 60 cumulative months, continues to be eligible for CalWORKs assistance and the family includes at least one non-federally eligible individual (other than the TANF timed-out individual). The non-federally eligible individual does not meet the federal requirements of a qualified alien and entered the U.S. on or after August 22, 1996. State law requires that the individual(s) be aided. The following example demonstrates the use of aid code 3W and how the months of aid are counted toward the 60-month time clocks.

### Example of Aid Code 3W:

An AU includes a mother, who is a federally eligible legal immigrant, and her three children. Two children arrived in the U.S. after August 22, 1996 and are therefore non-federally eligible individuals. The mother has received TANF-funded assistance since March 1997 without a break in aid. Her last month of TANF-funded aid is February 2002. She reaches her TANF 60-month time limit on March 1, 2002 and the AU is placed in aid code 3W. The entire family continues to be eligible for CalWORKs aid since she has not yet received 60 months of aid under the CalWORKs program, and the AU remains a mixed case because two of the children do not meet the federal requirements of a qualified alien because they entered the U.S. after August 22, 1996.

<u>AID CODE</u>	<u>TANF MONTHS</u>	<u>TANF 60</u>	<u>CW MONTHS</u>	<u>CalWORKs 60</u>
<b>Aid Code 3E</b> (Mixed case)	3/97 to 2/02	60 months	1/98 to 2/02	50 months
<b>Aid Code 3W</b> (TANF Timed-Out, Mixed Case)			3/02 to 12/02	10 months

## **SHIFTING AID CODES FOR QUALIFIED LEGAL IMMIGRANTS**

Counties are reminded that those immigrants who do not meet the federal requirements of a qualified alien and entered the U.S. on or after August 22, 1996 will be eligible for federally-funded CalWORKs benefits five years after they have acquired status as a "qualified alien", provided they meet other eligibility requirements. Counties should make the appropriate aid code changes when these individuals become federally eligible so these cases are claimed to the correct funding source.

In addition, the aid codes (which indicate funding source) are programmed into the WDTIP system to calculate an individual's time on aid for the TANF and CalWORKs 60-month time limits. Adult legal immigrants, who are receiving state-only funded aid because they do not meet the federal requirements of a qualified alien, are not subject to the federal TANF 60-month time limit, only the CalWORKs 60-month time limit. However, as these individuals become federally eligible to receive TANF-funded aid, they may be subject to the TANF 60-month time limit. A forthcoming ACL will address legal immigrants and their federal eligibility requirements.

## **FISCAL CLAIMING**

The new and revised aid codes (see attached aid code chart) must be used to appropriately claim the TANF timed-out cases. Counties are urged to immediately begin a case review to determine which cases have individuals who will soon reach the TANF 60-month time limit and assign the new aid code to the cases effective the 61<sup>st</sup> month. The CFL will provide counties with the fiscal instructions for assistance expenditures and the appropriate assistance claim forms. In addition, the Quarterly Time Study and Claiming Instructions CFL, which will include the time study and administrative expense claim codes for the cases that have reached the TANF time limit, will be issued by October 2001.

In preparation for the CalWORKs 60-month time limit, CDSS expects to issue an ACL by mid-2002 to provide counties with the instructions to implement the necessary changes for cases that reach the CalWORKs 60-month time limit. This letter will include the new aid code(s), case scenarios, and Notices of Action (NOAs).

## **DATA COLLECTION AND REPORTING**

Data collection and reporting on the TANF 60-month time limit goes into effect for the reporting month of December 2001. The CalWORKs Cash Grant Caseload Movement Report (CA 237 CW) will be revised to reflect the changes needed. Although the TANF "timed-out" cases do not affect the overall caseload movement, it is necessary to track the number of cases within the All Families category that have reached their TANF 60-month time limit. The new reporting form will be forwarded under separate cover.

If you have any questions regarding this letter or need additional information, please contact the following persons:

- This ACL and the 60-month time limits - Charissa S. Miguelino at (916) 657-3665.
- Fiscal Claiming – the Fiscal Policy Bureau at (916) 657-3440.
- Food Stamps Eligibility Requirements – Robert Marlow at (916) 654-1898.

Sincerely,

***Original signed by  
Bruce Wagstaff on  
9/18/01***

BRUCE WAGSTAFF

Deputy Director

Welfare to Work Division

Attachment

c: CWDA  
CSAC

**AID CODES FOR CalWORKs  
EFFECTIVE AUGUST 1, 2001**

Type of Claim	Aid Code Description
CalWORKs/TANF Cash Assistance	<p><b>(30)</b> CalWORKs-All families: Families who do not meet the two-parent definition and are federally eligible. Includes sanctioned Cal-Learn families.</p> <p><b>(33)</b> CalWORKs: Aid to zero-parent cases.</p> <p><b>(3P)</b> CalWORKs-This population is the same as aid code 30 except they are exempt from the TANF grant reductions.</p> <p><b>(3R)</b> CalWORKs-Provides aid to zero parent cases that are exempt from the TANF grant reductions.</p>
CalWORKs Cash Assistance	<p><b>(32) <i>TANF Timed-Out (FFP for Medi-Cal eligible): Recipients who have reached their 60-month TANF time limit but are eligible for CalWORKs.</i></b></p> <p><b>(35)</b> CalWORKs (Non-TANF cash grant/FFP for Medi-Cal eligible): Two-parent families that include two non-disabled natural or adoptive parents of the same minor child, who are living in the home unless both are aided minors and neither is head-of-household.</p> <p><b>(3U)</b> CalWORKs Legal Immigrants: Aided individuals in a household with at least one federally-eligible individual and at least one that is non-federally eligible. The non-federally eligible individual meets the federal requirements of a qualified alien but entered the U.S. on or after August 22, 1996 or meets the eligibility requirement of an alien described in CDSS EAS 42-431 (7/1/89). State law requires that the individual be aided. Provides aid to eligible CalWORKs families meeting the definition of two-parent families.</p> <p><b>(3W) <i>TANF Timed-Out, Mixed Case: (FFP for Medi-Cal eligible): TANF timed-out adult, with CalWORKs eligibility, and family includes at least one non-federally eligible individual.</i></b></p>
New Entrant Legal Immigrant (State Only)	<p><b>(3L)</b> CalWORKs - Legal Immigrants (Non-TANF cash grant/FFP for Medi-Cal eligible): Eligible CalWORKs families who meet the definition of all families and include individuals who meet the federal requirements of a qualified alien but entered the U.S. on or after August 22, 1996 or meet the eligibility requirement of an alien described in CDSS EAS 42-431 (7/1/89).</p> <p><b>(3G)</b> CalWORKs-Zero parent: Cases which meet the definition of 3L.</p> <p><b>(3M)</b> CalWORKs-Legal Immigrants (Non-TANF cash grant/FFP for Medi-Cal eligible): Eligible CalWORKs families who (1) meet the definition of two-parent families; AND (2) include Individuals who meet the federal requirements of a qualified alien but entered the U.S. on or after August 22, 1996 or meet the eligibility requirement of an alien described in CDSS EAS 42-431 (7/1/89).</p>
New Entrant Legal Immigrant (Mixed Cases)	<p><b>(3E)</b> CalWORKs-Legal Immigrants: Aided individuals in a household with at least one federally eligible individual and at least one that is non-federally eligible. The non-federally eligible individual meets the federal requirements of a qualified alien and entered the U.S. on or after August 22, 1996 or meets the eligibility requirement of an alien described in CDSS EAS 42-431 (7/1/89). State law requires that the individual(s) be aided. Provides aid to eligible CalWORKs families meeting the definition of all families.</p> <p><b>(3H)</b> CalWORKs-Zero parent cases that meet the definition of 3E.</p>
CalWORKs/TANF Diversion	<p><b>(3J)</b> CalWORKs-Diversion: Diversion payment/services to apparently eligible CalWORKs applicants meeting the definition of all families.</p> <p><b>(3K)</b> CalWORKs Diversion: Diversion payment/services to apparently eligible CalWORKs applicants meeting the definition of two-parent families.</p>
CalWORKs Diversion (State Only)	<p><b>(3X)</b> CalWORKs-Diversion: Diversion payment/services to apparently eligible CalWORKs applicants meeting the definition of all families but who do not meet all federal requirements. State law requires that the individual(s) be aided. Includes legal immigrants.</p> <p><b>(3Y)</b> CalWORKs Diversion: Diversion payment/services to apparently eligible CalWORKs applicants meeting the definition of two-parent families but who do not meet all federal requirements. State law requires that the individual(s) be aided. Includes legal immigrants.</p>